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TAGS: [PREL](#) [KPAL](#) [KWBG](#)
SUBJECT: NABLUSIS CONCERNED ABOUT PALESTINIAN GOVERNMENT,
US POLICY

Classified By: Consul General Jake Walles. Reasons: 1.4 (b) and (d).

Summary

¶1. (C) In a series of meetings with prominent Nablus personalities on April 25, Consul General heard concerns about the future of the Palestinian government and relations with Israel. Munib al-Masri, a leading businessman and host for the meetings, outlined his private-sector initiative intended to produce a Palestinian coalition government that could comply with Quartet conditions. al-Najah University President (and CEC official) Rami Hamdallah thought that political support for Hamas is still strong, pointing to recent Bir Zeit University elections on April 19 that returned a Hamas plurality. Hamdallah said Fatah members asked him if the CEC would be ready to conduct a snap election as early as July; he said the CEC is ready, but could not say the same about Fatah. An expanded session showcased concerns about the impact of continuing IDF closures, U.S. policy inadvertently strengthening Hamas, and consequences of Israeli PM Olmert's convergence plan. A later press conference produced positive results, with the Consul Generals' explanation of the need for Hamas compliance with Quartet goals and continuing U.S. assistance to the Palestinian people receiving wide coverage.

New Private Sector Political Initiative

¶2. (C) Prominent Palestinian businessman and PLO Central Committee Member Munib al-Masri, accompanied by al-Najah University President (and Central Elections Commission (CEC) chairman) Rami Hamdallah briefed Consul General on an initiative by Masri to resolve the mounting disputes between President Mahmoud Abbas (Abu Mazen) and the PA cabinet. Masri's idea is to push for a coalition government comprising all political factions, but not led by Hamas, thereby allowing both the Presidency and the Cabinet to engage on international issues and comply with the Quartet conditions. Masri also supports a national dialogue -- to include the President's office and the PA cabinet -- to find a way to end the economic and political crises facing the Palestinian people. Stressing that "I'm not Fatah; I'm Palestinian," Masri said he would continue to work on Palestinian popular acceptance of a two-state solution, but also asked for U.S. assistance for his initiative. In response, Consul General emphasized the need for any new PA government to accept

Quartet conditions in order to end international isolation and resume a political process with Israel.

¶3. (C) Hamdallah commented on the disturbing April 19 election results from Bir Zeit University, where a pro-Hamas slate won 23 seats to Fatah's 18. In last year's election, the pro-Fatah slate won 23 seats to 22 for Hamas. Hamdallah observed that Hamas supporters are pointing to the election results as a sign of increasing popular support for Hamas in response to the international pressure since the PLC elections and formation of the Hamas cabinet. He thought elections at his university might produce a similar return in the fall.

¶4. (C) Hamdallah said that former Prime Minister Ahmad Quraya' (Abu Ala'a) had asked him whether the CEC would be ready to conduct snap elections in July. Hamdallah said that the CEC would be ready, but that he had his doubts about Fatah and thought that Hamas might repeat its January performance, or even do better. Masri thought a July national election would be a "disaster" and wondered whether Abu Ala'a was really asking about a Presidential election in which he could challenge Abu Mazen.

Expanded Session: Closures and Olmert

¶5. (C) In an expanded session and lunch that included Masri, Hamdallah, and prominent Nablusi businessmen, politicians, and a labor leader, the Consul General reviewed U.S. assistance and contact policies, and heard concerns about collective punishment of the Palestinian people and unclear political horizons. Chamber of Commerce head Basel Kan'an said that Nablus - which he believed had been singled out by the Israelis since the start of the 2000 intifada - was now

suffering even more because of increased IDF closures and restrictions. He argued that Nablus is unfairly acquiring a reputation as a source of terrorism, and complained in particular about a total closure that had been effect since Passover.

¶6. (C) Vegetable Oil executive Mahdi al-Masri, a cousin of Munib and a failed Fatah candidate in the recent Nablus municipal elections, spoke admiringly of the Hamas social welfare programs and the ability of the movement to harness it for political gain. He pressed for new faces in Fatah and U.S. assistance in addressing social needs to enable Fatah to benefit from the same political model successfully exploited by Hamas. Labor leader Shaher Saed charged the outside world with the collective punishment of the Palestinian people, and also asked for more attention to IDF operations. Saed expressed concern about the upcoming visit of Israeli PM Olmert to the United States in May, saying that the expected U.S. approval of Olmert's convergence plan could pave the way for a third intifada.

¶7. (C) Mahmoud Aloul, former Nablus governor and a successful Fatah candidate in the January Palestinian Legislative Council (PLC) elections, said that there is plenty of blame to go around for the PLC election results, and said that U.S. positions had contributed to the Hamas election victory. Aloul pressed for US engagement with the current government, explaining that the U.S. had played a key role in ensuring PLC elections occurred on time, and should set a political example of dealing constructively with the results of democratic elections. Aloul also warned against a strategy predicated on the collapse of the Hamas government, explaining that such a result would actually play into the long-range plans of Hamas extremists, who would welcome and facilitate such a collapse.

¶8. (C) Current Nablus governor Said Abu Ali - a political rival of Aloul - also supported U.S. engagement with the current government, saying that "governments come and go" and that ongoing relations with the Palestinian people are the key point. He unconsciously echoed Aloul's points, saying

that U.S. responsibility for the PLC elections meant that the U.S. should share in the consequences. Abu Ali described the symbolic, political, and economic importance of Nablus, and ended by calling for more international attention to be paid to the city.

¶9. (C) Former Nablus Mayor and current PLO Executive Committee member Ghassan Shakaa said that the Palestinian people support President Bush's vision of a two-state solution but have abandoned faith in the peace process given the lack of results. He said the people had punished Fatah in the PLC elections, and that those committed to peace needed to find ways to restore that hope and resume negotiations. He thought that any pressure campaign directed against Hamas needed to be carefully calibrated to ensure that it did not inadvertently instead strengthen the movement's domestic political situation. Shakaa expressed his concern about Olmert's convergence plan and its long-range consequences.

Media Coverage

¶10. (C) Palestinian dailies reported the meetings and quoted the Consul General's remarks at a press conference afterwards. The press noted the Consul General's comments that the U.S. will continue to assist the Palestinian people and that our objective is to encourage the PA government to accept Quartet requirements, not to see the government fail.
WALLES